

Form

990**Return of Organization Exempt From Income Tax**

OMB No 1545-0047

2008**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2008 calendar year, or tax year beginning**, and ending****B** Check if applicable☐ Address change☐ Name change☐ Initial return☐ Termination☐ Amended return☐ Application pending

Please use IRS label or print or type See Specific Instructions

C Name of organization

BRUSHY CREEK WATER SUPPLY CORPORA

Doing Business As

Number and street (or P O box if mail is not delivered to street address)

Room/suite

P O BOX 168

City or town, state or country, and ZIP + 4

MONTALBA

TX

75853

D Employer identification number

75-1544301

E Telephone number**G Gross receipts \$**

682,434

F Name and address of principal officer

GLEN HOLCOMB P O BOX 168, MONTALBA, TX 75853

H(a) Is this a group return for affiliates?☐ Yes ☒ No**H(b) Are all affiliates included?**☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number ▶**I Tax-exempt status**☒ 501(c) (12) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527**J Website: ▶ N/A****K Type of organization**☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L Year of formation****M State of legal domicile** TX**Part I Summary****1** Briefly describe the organization's mission or most significant activities. TO PROVIDE WATER TO RURAL MEMBERS**2** Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its assets**3** Number of voting members of the governing body (Part VI, line 1a)**3**

7

4 Number of independent voting members of the governing body (Part VI, line 1b)**4**

7

5 Total number of employees (Part V, line 2a)**5**

7

6 Total number of volunteers (estimate if necessary)**6**

0

7a Total gross unrelated business revenue from Part VIII, line 12, column (C)**7a**

0

b Net unrelated business taxable income from Form 990-T, line 34**7b**

0

8 Contributions and grants (Part VIII, line 1h)

Prior Year

Current Year

0

0

9 Program service revenue (Part VIII, line 2g)

645,052

676,022

10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)

10,797

6,412

11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)

0

0

12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)

655,849

682,434

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)

0

0

14 Benefits paid to or for members (Part IX, column (A), line 4)

0

0

15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)

0

210,591

16a Professional fundraising fees (Part IX, column (A), line 11e)

0

0

b Total fundraising expenses (Part IX, column (D), line 25)

0

0

17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)

0

514,509

18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)

0

725,100

19 Revenue less expenses. Subtract line 18 from line 12

655,849

-42,666

20 Total assets (Part X, line 16)

Beginning of Year

End of Year

2,598,770

2,526,202

21 Total liabilities (Part X, line 26)

1,303,506

1,258,904

22 Net assets or fund balances. Subtract line 21 from line 20

1,295,264

1,267,298

SCANNED OCT 08 2009

Net Assets or Fund Balances

RECEIVED

SEP 28 2009

OGDEN, UT

IRS-OSC

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here*Glenn Holcomb Pres*

Signature of officer

115-9-09

Date

Glenn Holcomb - President

Type or print name and title

Paid Preparer's Use Only

Preparer's signature

Date

9/7/2009

Check if self-employed ☒

Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4

DEBORAH FISHER, CPA

EIN

PO BOX 146, ELKHART, TX 75839

Phone no ▶ 903-764-1100

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

(HTA)

Form 990 (2008)

18

1 Briefly describe the organization's mission

TO PROVIDE WATER TO RURAL MEMBERS

- 4a (Code:) (Expenses \$ 725,100 including grants of \$ 0) (Revenue \$ 0)
TO PROVIDE WATER TO RURAL MEMBERS

- 4b** (Code _____) (Expenses \$ _____ 0 including grants of \$ _____ 0) (Revenue \$ _____ 0)

- 4c** (Code _____) (Expenses \$ _____ 0 including grants of \$ _____ 0) (Revenue \$ _____ 0)

- 4d Other program services (Describe in Schedule O)**
 (Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

| | | | |
|----|-------------------------------------|---------|--|
| 4e | Total program service expenses ▶ \$ | 725,100 | (Must equal Part IX, Line 25, column (B)) |
|----|-------------------------------------|---------|--|

Part IV Checklist of Required Schedules

| | Yes | No |
|--|-------------|----|
| 1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A | 1 | X |
| 2 Is the organization required to complete Schedule B, Schedule of Contributors? | 2 | X |
| 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I | 3 | X |
| 4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II | 4 | |
| 5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III | 5 | |
| 6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I | 6 | X |
| 7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II | 7 | X |
| 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III | 8 | X |
| 9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV | 9 | X |
| 10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V | 10 | X |
| 11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable | 11 X | |
| 12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII | 12 | X |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E | 13 | X |
| 14a Did the organization maintain an office, employees, or agents outside of the U.S.? | 14a | X |
| b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I | 14b | X |
| 15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II | 15 | X |
| 16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III | 16 | X |
| 17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I | 17 | X |
| 18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II | 18 | X |
| 19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III | 19 | X |
| 20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H | 20 | X |
| 21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II | 21 | X |
| 22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III | 22 | X |
| 23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J | 23 | X |
| 24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to question 25 | 24a | X |
| b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | 24b | X |
| c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | 24c | X |
| d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | 24d | X |
| 25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I | 25a | |
| b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I | 25b | |
| 26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II | 26 | X |
| 27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III | 27 | X |

Part IV Checklist of Required Schedules (continued)

| | Yes | No |
|---|-----|----|
| 28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee | | |
| a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i> | | X |
| b Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i> | | X |
| c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i> | | X |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> | | X |
| 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> | | X |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> | | X |
| 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> | | X |
| 33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> | | X |
| 34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> | | X |
| 35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> | | X |
| 36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> | | |
| 37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> | | X |

Part V Statements Regarding Other IRS Filings and Tax Compliance

| | | | Yes | No |
|-----|--|-------------|------|----|
| 1a | Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U S Information Returns. Enter -0- if not applicable | 1a 0 | | |
| b | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable | 1b 0 | | |
| c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | | 1c X | |
| 2a | Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return | 2a 7 | | |
| b | If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions) | | 2b X | |
| 3a | Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? | | 3a | X |
| b | If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O | | 3b | |
| 4a | At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? | | 4a | X |
| b | If "Yes," enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. | | | |
| 5a | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | | 5a | X |
| b | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | | 5b | X |
| c | If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? | | 5c | |
| 6a | Did the organization solicit any contributions that were not tax deductible? | | 6a | X |
| b | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | | 6b | |
| 7 | Organizations that may receive deductible contributions under section 170(c). | | | |
| a | Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75? | | 7a | |
| b | If "Yes," did the organization notify the donor of the value of the goods or services provided? | | 7b | |
| c | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | | 7c | |
| d | If "Yes," indicate the number of Forms 8282 filed during the year | 7d | | |
| e | Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | | 7e | X |
| f | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | | 7f | |
| g | For all contributions of qualified intellectual property, did the organization file Form 8899 as required? | | 7g | |
| h | For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? | | 7h | |
| 8 | Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? | | 8 | |
| 9 | Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds. | | | |
| a | Did the organization make any taxable distributions under section 4966? | | 9a | |
| b | Did the organization make a distribution to a donor, donor advisor, or related person? | | 9b | |
| 10 | Section 501(c)(7) organizations. Enter | | | |
| a | Initiation fees and capital contributions included on Part VIII, line 12 | 10a | | |
| b | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | 10b | | |
| 11 | Section 501(c)(12) organizations. Enter. | | | |
| a | Gross income from members or shareholders | 11a 676,022 | | |
| b | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) | 11b 6,412 | | |
| 12a | Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? | | 12a | |
| b | If "Yes," enter the amount of tax-exempt interest received or accrued during the year | 12b | | |

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

| | | Yes | No |
|---|---|-----|----|
| For each "Yes" response to lines 2–7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions. | | | |
| 1a | Enter the number of voting members of the governing body | 1a | 7 |
| b | Enter the number of voting members that are independent | 1b | 7 |
| 2 | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | 2 | X |
| 3 | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? | 3 | X |
| 4 | Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? | 4 | X |
| 5 | Did the organization become aware during the year of a material diversion of the organization's assets? | 5 | X |
| 6 | Does the organization have members or stockholders? | 6 | X |
| 7a | Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? | 7a | X |
| b | Are any decisions of the governing body subject to approval by members, stockholders, or other persons? | 7b | X |
| 8 | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following | | |
| a | The governing body? | 8a | X |
| b | Each committee with authority to act on behalf of the governing body? | 8b | X |
| 9a | Does the organization have local chapters, branches, or affiliates? | 9a | X |
| b | If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? | 9b | |
| 10 | Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990 | 10 | X |
| 11 | Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O | 11 | X |

Section B. Policies

| | | Yes | No |
|-----|--|-----|----|
| 12a | Does the organization have a written conflict of interest policy? If "No," go to line 13 | 12a | X |
| b | Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | 12b | X |
| c | Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done | 12c | X |
| 13 | Does the organization have a written whistleblower policy? | 13 | X |
| 14 | Does the organization have a written document retention and destruction policy? | 14 | X |
| 15 | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision | | |
| a | The organization's CEO, Executive Director, or top management official? | 15a | X |
| b | Other officers or key employees of the organization? | 15b | X |
| | Describe the process in Schedule O (see instructions) | | |
| 16a | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | 16a | X |
| b | If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? | 16b | |

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► TX

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ► OFFICE MANAGER 903/549-2488
P O BOX 168, MONTALBA, TX 75853

Part VIII Statement of Revenue

| | | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512, 513, or 514 |
|---|---|---|-----------------------------|----------------------|--|---|---|
| Contributions, gifts, grants and other similar amounts | 1a | Federated campaigns | 1a | 0 | | | |
| | b | Membership dues | 1b | 0 | | | |
| | c | Fundraising events | 1c | 0 | | | |
| | d | Related organizations | 1d | 0 | | | |
| | e | Government grants (contributions) | 1e | 0 | | | |
| | f | All other contributions, gifts, grants, and similar amounts not included above | 1f | 0 | | | |
| | g | Noncash contributions included in lines 1a-1f: \$ | | 0 | | | |
| | h | Total. Add lines 1a-1f | | 0 | | | |
| | Program Service Revenue | 2a | WATER SALES/CONNECT CHARGES | Business Code | 676,022 | | |
| b | | | | 0 | | | |
| c | | | | 0 | | | |
| d | | | | 0 | | | |
| e | | | | 0 | | | |
| f | | All other program service revenue | | 0 | | | |
| g | | Total. Add lines 2a-2f | | 676,022 | | | |
| Other Revenue | 3 | Investment income (including dividends, interest, and other similar amounts) | | 6,412 | | | 6,412 |
| | 4 | Income from investment of tax-exempt bond proceeds | | 0 | | | |
| | 5 | Royalties | | 0 | | | |
| | 6a | Gross Rents | (i) Real | (ii) Personal | | | |
| | b | Less: rental expenses | | | | | |
| | c | Rental income or (loss) | 0 | 0 | | | |
| | d | Net rental income or (loss) | | | 0 | | |
| | 7a | Gross amount from sales of assets other than inventory | (i) Securities | (ii) Other | | | |
| | b | Less: cost or other basis and sales expenses | 0 | 0 | | | |
| | c | Gain or (loss) | 0 | 0 | | | |
| | d | Net gain or (loss) | | | 0 | | |
| | 8a | Gross income from fundraising events (not including \$ 0 of contributions reported on line 1c). See Part IV, line 18 | a | 0 | | | |
| | b | Less: direct expenses | b | 0 | | | |
| | c | Net income or (loss) from fundraising events | | | 0 | | |
| | 9a | Gross income from gaming activities See Part IV, line 19 | a | 0 | | | |
| | b | Less: direct expenses | b | 0 | | | |
| | c | Net income or (loss) from gaming activities | | | 0 | | |
| | 10a | Gross sales of inventory, less returns and allowances | a | 0 | | | |
| | b | Less: cost of goods sold | b | 0 | | | |
| | c | Net income or (loss) from sales of inventory | | | 0 | | |
| Miscellaneous Revenue | | Business Code | | | | | |
| 11a | | | 0 | | | | |
| b | | | 0 | | | | |
| c | | | 0 | | | | |
| d | All other revenue | | 0 | | | | |
| e | Total. Add lines 11a-11d | | 0 | | | | |
| 12 | Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e | | 682,434 | 0 | 0 | 682,434 | |

Part IX Statement of Functional Expenses**Section 501(c)(3) and 501(c)(4) organizations must complete all columns.****All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

| <i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i> | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|--|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 | 0 | | | |
| 2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 | 0 | | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 | 0 | | | |
| 4 Benefits paid to or for members | 0 | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 0 | | | |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | 0 | | | |
| 7 Other salaries and wages | 195,156 | 195,156 | | |
| 8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) | 0 | | | |
| 9 Other employee benefits | 0 | | | |
| 10 Payroll taxes | 15,435 | 15,435 | | |
| 11 Fees for services (non-employees) | | | | |
| a Management | 0 | | | |
| b Legal | 3,064 | 3,064 | | |
| c Accounting | 2,900 | 2,900 | | |
| d Lobbying | 0 | | | |
| e Professional fundraising services. See Part IV, line 17 | 0 | | | |
| f Investment management fees | 0 | | | |
| g Other | 0 | | | |
| 12 Advertising and promotion | 0 | | | |
| 13 Office expenses | 0 | | | |
| 14 Information technology | 0 | | | |
| 15 Royalties | 0 | | | |
| 16 Occupancy | 0 | | | |
| 17 Travel | 33,906 | 33,906 | | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | 0 | | | |
| 19 Conferences, conventions, and meetings | 0 | | | |
| 20 Interest | 84,586 | 84,586 | | |
| 21 Payments to affiliates | 0 | 0 | 0 | 0 |
| 22 Depreciation, depletion, and amortization | 114,722 | 114,722 | 0 | 0 |
| 23 Insurance | 43,155 | 43,155 | | |
| 24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.) | | | | |
| a OTHER LOSSES | 34,509 | 34,509 | | |
| b UTILITIES | 76,499 | 76,499 | | |
| c BILLING AND OFFICE | 14,119 | 14,119 | | |
| d MISCELLANEOUS | 12,367 | 12,367 | | |
| e REPAIRS | 94,682 | 94,682 | | |
| f All other expenses | 0 | | | |
| 25 Total functional expenses. Add lines 1 through 24f | 725,100 | 725,100 | 0 | 0 |
| 26 Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation | | | | |

Part X Balance Sheet

| | | (A) Beginning of year | | (B) End of year |
|---|---|--------------------------|-----------|--------------------|
| Assets | 1 Cash—non-interest-bearing | 114,161 | 1 | 169,497 |
| | 2 Savings and temporary cash investments | 228,683 | 2 | 193,719 |
| | 3 Pledges and grants receivable, net | 0 | 3 | 0 |
| | 4 Accounts receivable, net | 51,865 | 4 | 62,500 |
| | 5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L | 0 | 5 | 0 |
| | 6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L | 0 | 6 | 0 |
| | 7 Notes and loans receivable, net | 0 | 7 | 0 |
| | 8 Inventories for sale or use | | 8 | |
| | 9 Prepaid expenses and deferred charges | 10,735 | 9 | 5,669 |
| | 10a Land, buildings, and equipment: cost basis 10a 3,699,146 | | | |
| | b Less accumulated depreciation. Complete Part VI of Schedule D. 10b 1,604,389 | 2,193,266 | 10c | 2,094,757 |
| | 11 Investments—publicly traded securities | 0 | 11 | 0 |
| | 12 Investments—other securities. See Part IV, line 11 | 0 | 12 | 0 |
| | 13 Investments—program-related. See Part IV, line 11 | 0 | 13 | 0 |
| | 14 Intangible assets | | 14 | |
| | 15 Other assets. See Part IV, line 11 | 60 | 15 | 60 |
| 16 Total assets. Add lines 1 through 15 (must equal line 34) | 2,598,770 | 16 | 2,526,202 | |
| Liabilities | 17 Accounts payable and accrued expenses | 22,044 | 17 | 34,388 |
| | 18 Grants payable | | 18 | |
| | 19 Deferred revenue | | 19 | |
| | 20 Tax-exempt bond liabilities | 0 | 20 | 0 |
| | 21 Escrow account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | 0 | 22 | 0 |
| | 23 Secured mortgages and notes payable to unrelated third parties | 1,281,462 | 23 | 1,224,516 |
| | 24 Unsecured notes and loans payable | 0 | 24 | 0 |
| | 25 Other liabilities. Complete Part X of Schedule D | 0 | 25 | 0 |
| | 26 Total liabilities. Add lines 17 through 25 | 1,303,506 | 26 | 1,258,904 |
| Net Assets or Fund Balances | Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | |
| | 27 Unrestricted net assets | | 27 | |
| | 28 Temporarily restricted net assets | | 28 | |
| | 29 Permanently restricted net assets | | 29 | |
| | Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34. | | | |
| | 30 Capital stock or trust principal, or current funds | | 30 | |
| | 31 Paid-in or capital surplus, or land, building, or equipment fund | 498,198 | 31 | 512,298 |
| | 32 Retained earnings, endowment, accumulated income, or other funds | 797,066 | 32 | 755,000 |
| | 33 Total net assets or fund balances | 1,295,264 | 33 | 1,267,298 |
| | 34 Total liabilities and net assets/fund balances | 2,598,770 | 34 | 2,526,202 |

Part XI Financial Statements and Reporting

- 1 Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
- b Were the organization's financial statements audited by an independent accountant?
- c If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b If "Yes," did the organization undergo the required audit or audits?

| | Yes | No |
|----|-----|----|
| 2a | X | |
| 2b | X | |
| 2c | X | |
| 3a | | X |
| 3b | | |

Form **4797**Department of the Treasury
Internal Revenue Service
(99)**Sales of Business Property**
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

OMB No 1545-0184

2008

Attachment

Sequence No **27**

Name(s) shown on return

BRUSHY CREEK WATER SUPPLY CORPORATION

Identifying number

75-1544301

- 1 Enter the gross proceeds from sales or exchanges reported to you for 2008 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions)

1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (see instructions)

| (a) Description of property | (b) Date acquired (mo, day, yr) | (c) Date sold (mo, day, yr) | (d) Gross sales price | (e) Depreciation allowed or allowable since acquisition | (f) Cost or other basis, plus improvements and expense of sale | (g) Gain or (loss) Subtract (f) from the sum of (d) and (e) |
|-----------------------------|---------------------------------|-----------------------------|-----------------------|---|--|---|
| 2 | | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |

- 3 Gain, if any, from Form 4684, line 45

3

- 4 Section 1231 gain from installment sales from Form 6252, line 26 or 37

4

- 5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824

5

- 6 Gain, if any, from line 32, from other than casualty or theft

6

- 7 Combine lines 2 through 6 Enter the gain or (loss) here and on the appropriate line as follows

7

Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9 Skip lines 8, 9, 11, and 12 below

Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9 If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below

- 8 Nonrecaptured net section 1231 losses from prior years (see instructions)

8

- 9 Subtract line 8 from line 7 If zero or less, enter -0- If line 9 is zero, enter the gain from line 7 on line 12 below If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)

9

Part II Ordinary Gains and Losses (see instructions)

- 10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less)

| | | | | | | |
|--|--|--|--|--|--|---|
| | | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |

- 11 Loss, if any, from line 7

11

- 12 Gain, if any, from line 7 or amount from line 8, if applicable

12

- 13 Gain, if any, from line 31

13

- 14 Net gain or (loss) from Form 4684, lines 37 and 44a

14

- 15 Ordinary gain from installment sales from Form 6252, line 25 or 36

15

- 16 Ordinary gain or (loss) from like-kind exchanges from Form 8824

16

- 17 Combine lines 10 through 16

17

- 18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below For individual returns, complete lines a and b below

- a If the loss on line 11 includes a loss from Form 4684, line 41, column (b)(ii), enter that part of the loss here Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23 Identify as from "Form 4797, line 18a" See instructions

18a

- b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a Enter here and on Form 1040, line 14

18b

For Paperwork Reduction Act Notice, see separate instructions.

Form **4797** (2008)

(HTA)

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
 (see instructions)

| 19 | (a) Description of section 1245, 1250, 1252, 1254, or 1255 property | (b) Date acquired (mo, day, yr) | (c) Date sold (mo, day, yr) |
|----|---|------------------------------------|--------------------------------|
| A | 2001 DODGE TRK | 6/16/2000 | 6/1/2008 |
| B | | | |
| C | | | |
| D | | | |

| These columns relate to the properties on lines 19A through 19D. | | Property A | Property B | Property C | Property D |
|--|--|------------|------------|------------|------------|
| 20 | Gross sales price (Note: See line 1 before completing) | 600 | | | |
| 21 | Cost or other basis plus expense of sale | 16,910 | | | |
| 22 | Depreciation (or depletion) allowed or allowable | 16,910 | | | |
| 23 | Adjusted basis Subtract line 22 from line 21 | 0 | 0 | 0 | 0 |
| 24 | Total gain Subtract line 23 from line 20 | 600 | 0 | 0 | 0 |
| 25 | If section 1245 property: | | | | |
| a | Depreciation allowed or allowable from line 22 | 16,910 | | | |
| b | Enter the smaller of line 24 or 25a | 600 | 0 | 0 | 0 |
| 26 | If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291 | | | | |
| a | Additional depreciation after 1975 (see instructions) | | | | |
| b | Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions) | | | | |
| c | Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e | 0 | 0 | 0 | 0 |
| d | Additional depreciation after 1969 and before 1976 | | | | |
| e | Enter the smaller of line 26c or 26d | 0 | 0 | 0 | 0 |
| f | Section 291 amount (corporations only) | | | | |
| g | Add lines 26b, 26e, and 26f | 0 | 0 | 0 | 0 |
| 27 | If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership) | | | | |
| a | Soil, water, and land clearing expenses | | | | |
| b | Line 27a multiplied by applicable percentage (see instructions) | 0 | 0 | 0 | 0 |
| c | Enter the smaller of line 24 or 27b | 0 | 0 | 0 | 0 |
| 28 | If section 1254 property: | | | | |
| a | Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions) | | | | |
| b | Enter the smaller of line 24 or 28a | 0 | 0 | 0 | 0 |
| 29 | If section 1255 property: | | | | |
| a | Applicable percentage of payments excluded from income under section 126 (see instructions) | | | | |
| b | Enter the smaller of line 24 or 29a (see instructions) | 0 | 0 | 0 | 0 |

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30

| | | | |
|----|---|----|-----|
| 30 | Total gains for all properties. Add property columns A through D, line 24 | 30 | 600 |
| 31 | Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13 | 31 | 600 |
| 32 | Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 39. Enter the portion from other than casualty or theft on Form 4797, line 6 | 32 | 0 |

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
 (see instructions)

| | (a) Section 179 | (b) Section 280F(b)(2) | |
|----|---|------------------------|---|
| 33 | Section 179 expense deduction or depreciation allowable in prior years | 33 | |
| 34 | Recomputed depreciation (see instructions) | 34 | |
| 35 | Recapture amount. Subtract line 34 from line 33. See the instructions for where to report | 35 | 0 |

Form **4562**Department of the Treasury
Internal Revenue Service

(99)

Depreciation and Amortization
(Including Information on Listed Property)

OMB No 1545-0172

2008

Attachment

Sequence No **67**

▶ See separate instructions.

▶ Attach to your tax return.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

BRUSHY CREEK WATER SUPPLY CORP/990

75-1544301

Part I Election To Expense Certain Property Under Section 179**Note:** If you have any listed property, complete Part V before you complete Part I.

| | | | |
|---|---|---|---------|
| 1 | Maximum amount. See the instructions for a higher limit for certain businesses | 1 | 250,000 |
| 2 | Total cost of section 179 property placed in service (see instructions). | 2 | 3,701 |
| 3 | Threshold cost of section 179 property before reduction in limitation (see instructions) | 3 | 800,000 |
| 4 | Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0- | 4 | 0 |
| 5 | Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions | 5 | 250,000 |

| (a) Description of property | (b) Cost (business use only) | (c) Elected cost | |
|-----------------------------|---|------------------|---|
| 6 | | | |
| 7 | Listed property Enter the amount from line 29 | 7 | |
| 8 | Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7 | 8 | 0 |
| 9 | Tentative deduction Enter the smaller of line 5 or line 8 | 9 | 0 |
| 10 | Carryover of disallowed deduction from line 13 of your 2007 Form 4562. | 10 | |
| 11 | Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions) | 11 | |
| 12 | Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11 | 12 | 0 |
| 13 | Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12 | 13 | 0 |

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions)**

| | | | |
|----|---|----|--------|
| 14 | Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) | 14 | |
| 15 | Property subject to section 168(f)(1) election | 15 | |
| 16 | Other depreciation (including ACRS) | 16 | 10,947 |

Part III MACRS Depreciation (Do not include listed property) (See instructions)**Section A**

| | | | |
|----|---|----|--------------------------|
| 17 | MACRS deductions for assets placed in service in tax years beginning before 2008 | 17 | 95,322 |
| 18 | If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here | | <input type="checkbox"/> |

Section B - Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

| (a) Classification of property | (b) Month and year placed in service | (c) Basis for depreciation (business/investment) | (d) Recovery period | (e) Convention | (f) Method | (g) Depreciation deduction |
|--------------------------------|--------------------------------------|--|---------------------|----------------|------------|----------------------------|
| 19 a 3-year property | | | | | | |
| b 5-year property | | | | | | |
| c 7-year property | | 3,701 | 7 | HY | 200DB | 529 |
| d 10-year property | | | | | | |
| e 15-year property | | | | | | |
| f 20-year property | | | | | | |
| g 25-year property | | | 25 yrs | | S/L | |
| h Residential rental property | | | 27.5 yrs | MM | S/L | |
| i Nonresidential real property | | | 27.5 yrs | MM | S/L | |
| | | | 39 yrs. | MM | S/L | |
| | | | | MM | S/L | |

Section C - Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

| | | | | | | |
|-----------------|--|--|--------|----|-----|--|
| 20 a Class life | | | | | S/L | |
| b 12-year | | | 12 yrs | | S/L | |
| c 40-year | | | 40 yrs | MM | S/L | |

Part IV Summary (See instructions)

| | | | |
|----|--|----|---------|
| 21 | Listed property. Enter amount from line 28 | 21 | 7,690 |
| 22 | Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return Partnerships and S corporations - see instr | 22 | 114,488 |
| 23 | For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs | 23 | |

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2008)

(HTA)

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

| 24a Do you have evidence to support the business/investment use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No | | | | 24b If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No | | | | |
|---|----------------------------------|---|-------------------------------|--|---------------------------|------------------------------|----------------------------------|------------------------------------|
| (a) Type of property (list vehicles first) | (b) Date placed in service | (c) Business/ investment use percentage | (d) Cost or other basis | (e) Basis for dep- reciation (business/ investment use only) | (f) Recovery period | (g) Method/ Convention | (h) Depreciation deduction | (i) Elected section 179 cost |
| 25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions). | | | | | | | 25 | |
| 26 Property used more than 50% in a qualified business use | | | | | | | | |
| 2007 DODGE | 6/1/2007 | 100.00% | 24,030 | 24,030 | 5 | 200DB - HY | 7,690 | |
| | | | | | | | | |
| 27 Property used 50% or less in a qualified business use: | | | | | | | | |
| | | % | | | | S/L - | | |
| | | % | | | | S/L - | | |
| | | % | | | | S/L - | | |
| 28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 | | | | | | | 28 | 7,690 |
| 29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 | | | | | | | 29 | 0 |

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

| | (a) | | (b) | | (c) | | (d) | | (e) | | (f) | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----|----|-----|----|-----|----|
| | Vehicle 1 | Vehicle 2 | Vehicle 3 | Vehicle 4 | Vehicle 5 | Vehicle 6 | | | | | | |
| 30 Total business/investment miles driven during the year (do not include commuting miles) | | | | | | | | | | | | |
| 31 Total commuting miles driven during the year | | | | | | | | | | | | |
| 32 Total other personal (noncommuting) miles driven | | | | | | | | | | | | |
| 33 Total miles driven during the year Add lines 30 through 32 | | | | | | | | | | | | |
| 34 Was the vehicle available for personal use during off-duty hours? | Yes | No | Yes | No | Yes | No | Yes | No | Yes | No | Yes | No |
| 35 Was the vehicle used primarily by a more than 5% owner or related person? | | | | | | | | | | | | |
| 36 Is another vehicle available for personal use? | | | | | | | | | | | | |

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

| | Yes | No |
|---|-----|----|
| 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? | | |
| 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners | | |
| 39 Do you treat all use of vehicles by employees as personal use? | | |
| 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? | | |
| 41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.) Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles. | | |

Part VI Amortization

| (a) Description of costs | (b) Date amortization begins | (c) Amortizable amount | (d) Code section | (e) Amortization period or percentage | (f) Amortization for this year |
|---|------------------------------------|---------------------------|---------------------|--|-----------------------------------|
| 42 Amortization of costs that begins during your 2008 tax year (see instructions): | | | | | |
| | | | | | |
| 43 Amortization of costs that began before your 2008 tax year | | | | | 43 |
| 44 Total. Add amounts in column (f). See the instructions for where to report | | | | | 44 |
| | | | | | 0 |

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**

OMB No 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

BRUSHY CREEK WATER SUPPLY CORPORATION

Employer identification number

75-1544301

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6

| | (a) Donor advised funds | (b) Funds and other accounts |
|---|-------------------------|--|
| 1 Total number at end of year | | |
| 2 Aggregate contributions to (during year) | | |
| 3 Aggregate grants from (during year) | | |
| 4 Aggregate value at end of year | | |
| 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? | | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7

1 Purpose(s) of conservation easements held by the organization (check all that apply)

| | |
|---|--|
| <input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure) | <input type="checkbox"/> Preservation of an historically important land area |
| <input type="checkbox"/> Protection of natural habitat | <input type="checkbox"/> Preservation of certified historic structure |
| <input type="checkbox"/> Preservation of open space | |

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

| | Held at the End of the Year |
|--|-----------------------------|
| a Total number of conservation easements | 2a |
| b Total acreage restricted by conservation easements | 2b |
| c Number of conservation easements on a certified historic structure included in (a) | 2c |
| d Number of conservation easements included in (c) acquired after 8/17/06 | 2d |

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

| | |
|--|------|
| (i) Revenues included in Form 990, Part VIII, line 1 | ▶ \$ |
| (ii) Assets included in Form 990, Part X | ▶ \$ |

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

| | |
|--|------|
| a Revenues included in Form 990, Part VIII, line 1 | ▶ \$ |
| b Assets included in Form 990, Part X | ▶ \$ |

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply) _____

Part VII Investments—Other Securities. See Form 990, Part X, line 12

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation Cost or end-of-year market value |
|--|----------------|---|
| Financial derivatives and other financial products | 0 | |
| Closely-held equity interests | 0 | |
| Other | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| Total. (Column (b) should equal Form 990, Part X, col (B) line 12) | 0 | |

Part VIII Investments—Program Related. See Form 990, Part X, line 13

| (a) Description of investment type | (b) Book value | (c) Method of valuation Cost or end-of-year market value |
|--|----------------|---|
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| | 0 | |
| Total. (Column (b) should equal Form 990, Part X, col (B) line 13) | 0 | |

Part IX Other Assets. See Form 990, Part X, line 15

| (a) Description | (b) Book value |
|--|----------------|
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| Total. (Column (b) should equal Form 990, Part X, col (B) line 15) | 0 |

Part X Other Liabilities. See Form 990, Part X, line 25

| (a) Description of liability | (b) Amount |
|--|------------|
| Federal income taxes | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| Total. (Column (b) should equal Form 990, Part X, col (B) line 25) | 0 |

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

| | | | |
|-----------|---|-----------|---------|
| 1 | Total revenue (Form 990, Part VIII, column (A), line 12) | 1 | 682,434 |
| 2 | Total expenses (Form 990, Part IX, column (A), line 25) | 2 | 725,100 |
| 3 | Excess or (deficit) for the year Subtract line 2 from line 1 | 3 | -42,666 |
| 4 | Net unrealized gains (losses) on investments | 4 | |
| 5 | Donated services and use of facilities | 5 | |
| 6 | Investment expenses | 6 | |
| 7 | Prior period adjustments | 7 | |
| 8 | Other (Describe in Part XIV) | 8 | |
| 9 | Total adjustments (net) Add lines 4–8 | 9 | 0 |
| 10 | Excess or (deficit) for the year per financial statements Combine lines 3 and 9 | 10 | -42,666 |

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

| | | | |
|----------|---|-----------|---|
| 1 | Total revenue, gains, and other support per audited financial statements | 1 | |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | |
| a | Net unrealized gains on investments | 2a | |
| b | Donated services and use of facilities | 2b | |
| c | Recoveries of prior year grants | 2c | |
| d | Other (Describe in Part XIV) | 2d | |
| e | Add lines 2a through 2d | 2e | 0 |
| 3 | Subtract line 2e from line 1 | 3 | 0 |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1: | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | |
| b | Other (Describe in Part XIV) | 4b | |
| c | Add lines 4a and 4b | 4c | 0 |
| 5 | Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.) | 5 | 0 |

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

| | | | |
|----------|--|-----------|---|
| 1 | Total expenses and losses per audited financial statements | 1 | |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25: | | |
| a | Donated services and use of facilities | 2a | |
| b | Prior year adjustments | 2b | |
| c | Losses reported on Form 990, Part IX, line 25 | 2c | |
| d | Other (Describe in Part XIV) | 2d | |
| e | Add lines 2a through 2d | 2e | 0 |
| 3 | Subtract line 2e from line 1 | 3 | 0 |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1: | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | |
| b | Other (Describe in Part XIV) | 4b | |
| c | Add lines 4a and 4b | 4c | 0 |
| 5 | Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18) | 5 | 0 |

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b, Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

- ▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

BRUSHY CREEK WATER SUPPLY CORPORATION

Employer identification number

75-1544301

Form 990 Part VI Section A Line 5 IT APPEARS THAT SOME FUNDS WERE DIVERTED

Form 990 Part VI Section A Line 6 THE ORGANIZATION HAS MEMBERS

Form 990 Part VI Section A Line 7.a BOARD OF DIRECTORS IS ELECTED BY MEMBERSHIP

Form 990 Part VI Section A Line 7.b TARIFF CHANGES MUST BE APPROVED BY MEMBERSHIP

Part IX, Line 22 (990) - Depreciation, Depletion, etc.

| | | 114,722 | 114,722 | 0 | 0 |
|-------------|--------------|---------|----------|-------------|-------------|
| | | (A) | (B) | (C) | (D) |
| | | Total | Program | Management | Fundraising |
| Description | | | services | and general | |
| 1 | DEPRECIATION | 114,722 | 114,722 | | |
| 2 | | 0 | | | |
| 3 | | 0 | | | |
| 4 | | 0 | | | |
| 5 | | 0 | | | |
| 6 | | 0 | | | |
| 7 | | 0 | | | |
| 8 | | 0 | | | |
| 9 | | 0 | | | |
| 10 | | 0 | | | |
| 11 | | 0 | | | |
| 12 | | 0 | | | |
| 13 | | 0 | | | |
| 14 | | 0 | | | |
| 15 | | 0 | | | |
| 16 | | 0 | | | |
| 17 | | 0 | | | |
| 18 | | 0 | | | |
| 19 | | 0 | | | |
| 20 | | 0 | | | |

Part X, Line 4 (990) - Accounts Receivable

| | | Accounts receivable | | | Allowance for doubtful accounts | | |
|----|---------------------------|---------------------|--------|--------|---------------------------------|--|-------|
| | | Beginning | | End | Beginning | | End |
| 1 | ACCOUNTS RECEIVABLE | 1 | 52,924 | 63,775 | 1,059 | | 1,275 |
| 2 | | 2 | | | | | |
| 3 | | 3 | | | | | |
| 4 | | 4 | | | | | |
| 5 | | 5 | | | | | |
| 6 | | 6 | | | | | |
| 7 | | 7 | | | | | |
| 8 | | 8 | | | | | |
| 9 | | 9 | | | | | |
| 10 | | 10 | | | | | |
| 11 | Total accounts receivable | 11 | 52,924 | 63,775 | 1,059 | | 1,275 |

Part X, Lines 10a and 10b (990) - Land, Buildings, and Equipment

| Category or Item | | Land | Buildings | Leasehold Improvements | Equipment | Other | Check if Investment Asset | Check if Asset Disposed | Cost/Other Basis | Beginning Accumulated Depreciation | Ending Accumulated Depreciation | Disposals/ Adjustments | Beginning Balance | Ending Balance |
|------------------|--------------------------|------|-----------|---------------------------|-----------|-------|---------------------------------|-------------------------------|---------------------|--|---------------------------------------|---------------------------|----------------------|-------------------|
| 1 | LAND | X | | | | | | | 9,964 | 0 | 1,604,389 | | 9,964 | 2,094,757 |
| 2 | BUILDINGS | | | | | | | | 64,913 | 0 | | | 64,913 | |
| 3 | WATER WELLS | | X | | | | | | 1,122,781 | 0 | | | 1,122,781 | |
| 4 | DISTRIBUTION SYSTEM | | | | | X | | | 2,085,557 | 0 | | | 2,079,239 | 2,085,557 |
| 5 | PUMPING SYSTEM | | | | | X | | | 233,964 | 0 | | | 227,770 | 233,964 |
| 6 | OFFICE EQUIPMENT | | | | X | | | | 48,788 | 0 | | | 46,297 | 48,788 |
| 7 | TRANSPORTATION EQUIPMENT | | | | X | | | | 133,179 | 0 | | | 148,879 | 133,179 |
| 8 | DEPRECIATION | | | | | | | | 0 | 1,506,577 | 1,604,389 | | -1,506,577 | -1,604,389 |
| 9 | | | | | | | | | 0 | 0 | | | 0 | 0 |
| 10 | | | | | | | | | 0 | 0 | | | 0 | 0 |
| 11 | | | | | | | | | 0 | 0 | | | 0 | 0 |
| 12 | | | | | | | | | 0 | 0 | | | 0 | 0 |
| 13 | | | | | | | | | 0 | 0 | | | 0 | 0 |
| 14 | | | | | | | | | 0 | 0 | | | 0 | 0 |
| 15 | | | | | | | | | 0 | 0 | | | 0 | 0 |
| 16 | | | | | | | | | 0 | 0 | | | 0 | 0 |
| 17 | | | | | | | | | 0 | 0 | | | 0 | 0 |
| 18 | | | | | | | | | 0 | 0 | | | 0 | 0 |
| 19 | | | | | | | | | 0 | 0 | | | 0 | 0 |
| 20 | | | | | | | | | 0 | 0 | | | 0 | 0 |

Part X, Line 15 (990) - Other Assets

| | | 60 | 60 |
|-------------|-----------------------------|-----------|-----|
| Description | | Beginning | End |
| 1 | ACCRUED INTEREST RECEIVABLE | | |
| 2 | REFUNDABLE DEPOSITS | 60 | 60 |
| 3 | OTHER RECEIVABLES | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |
| 8 | | | |
| 9 | | | |
| 10 | | | |
| 11 | | | |
| 12 | | | |
| 13 | | | |
| 14 | | | |
| 15 | | | |
| 16 | | | |
| 17 | | | |
| 18 | | | |
| 19 | | | |
| 20 | | | |

| | | |
|-----------|-----------|-----------|
| 1,844,560 | 1,281,462 | 1,224,516 |
|-----------|-----------|-----------|

[illegible]

[illegible]

Use of Vehicles (4562 Part V, Section B) - 990

| | Vehicle Description | Business Miles | Commuting Miles | Other Miles | Total Miles | Personal Use Off Duty? | | More than 5% owner? | | Another vehicle avail for use? | |
|---|---------------------|----------------|-----------------|-------------|-------------|------------------------|---|---------------------|---|--------------------------------|---|
| | | | | | | Y | N | Y | N | Y | N |
| 1 | 2007 DODGE | 0 | | 0 | | | | | | | |

Detail Report

12/31/2008 BRUSHY CREEK WATER SUPPLY CORPORATION 75-1544301

990

| Item No | Description of Property | Date Placed in Service | Asset Code | Bus Use % | Cost or Other Basis | Recovery Basis | Prior Accum Deprec., 179, Bonus | 2008 Current Deprec | 2008 Accum Deprec |
|---------|-------------------------------|------------------------|------------|-----------|---------------------|----------------|---------------------------------|---------------------|-------------------|
| | | | | | 3,716,055 | 3,716,055 | 1,506,577 | 114,722 | 1,621,299 |
| | LAND | 7/6/1977 | N-1 | 100 00% | 7,000 | 7,000 | 0 | 0 | 0 |
| | LOT-OFFICE/WAREHOUSE BUILDING | 12/15/1997 | N-1 | 100 00% | 2,964 | 2,964 | 0 | 0 | 0 |
| | 1/2 TON A/C | 6/1/1998 | R-5 | 100 00% | 57,792 | 57,792 | 14,202 | 1,482 | 15,684 |
| | WASTE WATER SYSTEM | 6/17/1998 | R-5 | 100 00% | 3,260 | 3,260 | 798 | 84 | 882 |
| | WATER METER-NEW LOT | 6/25/1998 | R-5 | 100 00% | 3,311 | 3,311 | 807 | 85 | 892 |
| | DEEP WELLS #1 & #2 | 5/20/1998 | N-2 | 100 00% | 550 | 550 | 0 | 0 | 0 |
| | DEEP WELL #3 | 7/6/1977 | R-5 | 100 00% | 80,130 | 80,130 | 48,370 | 1,603 | 49,973 |
| | DEEP WELL #4 | 4/17/1987 | R-5 | 100 00% | 87,530 | 87,530 | 45,220 | 2,188 | 47,408 |
| | WELL IMPROVEMENTS | 2/28/1987 | R-5 | 100 00% | 85,103 | 85,103 | 44,331 | 2,128 | 46,459 |
| | BOOSTER PUMP-WELL #4 | 4/15/1988 | R-5 | 100 00% | 275 | 275 | 137 | 7 | 144 |
| | SENSAPHONES | 11/18/1993 | F-10 | 100 00% | 1,053 | 1,053 | 1,053 | 0 | 1,053 |
| | AUTO DIALER | 9/12/2000 | F-10 | 100 00% | 3,038 | 3,038 | 2,229 | 304 | 2,533 |
| | PUMP | 9/12/2000 | F-10 | 100 00% | 1,074 | 1,074 | 785 | 107 | 892 |
| | WELL #4 & IMPROVEMENTS | 8/8/2000 | F-10 | 100 00% | 3,543 | 3,543 | 2,626 | 354 | 2,980 |
| | WELL #4-IMPROVEMENTS | 6/13/2000 | R-5 | 100 00% | 1,100 | 1,100 | 196 | 28 | 224 |
| | WELL #4 IMPROVEMENTS | 7/30/2002 | R-5 | 100 00% | 65,137 | 65,137 | 8,819 | 1,628 | 10,447 |
| | WELL #5 | 7/30/2002 | R-5 | 100 00% | 43,265 | 43,265 | 5,861 | 1,082 | 6,943 |
| | PUMP REPAIR WELL #1 | 9/1/2005 | R-6 | 100 00% | 16,266 | 16,266 | 933 | 407 | 1,340 |
| | WELL #5 | 1/23/2003 | F-10 | 100 00% | 5,893 | 5,893 | 2,896 | 589 | 3,485 |
| | LINE EXTENSION | 9/1/2005 | R-6 | 100 00% | 410,417 | 410,417 | 23,512 | 10,260 | 33,772 |
| | PRESSURE RECORDER | 7/24/1979 | R-5 | 100 00% | 8,263 | 8,263 | 4,691 | 165 | 4,856 |
| | ORIGINAL LINE | 11/1/1981 | F-6 | 100 00% | 391 | 391 | 391 | 0 | 391 |
| | DISTRIBUTION NORTH | 7/6/1977 | R-5 | 100 00% | 458,945 | 458,945 | 277,004 | 9,179 | 286,183 |
| | DISTRIBUTION SOUTH | 7/10/1987 | R-5 | 100 00% | 354,289 | 354,289 | 181,570 | 8,857 | 190,427 |
| | OVERFLOW PIPES | 7/10/1987 | R-5 | 100 00% | 1,000,592 | 1,000,592 | 491,961 | 25,015 | 516,976 |
| | LEAK DETECTOR | 6/30/1989 | R-5 | 100 00% | 3,835 | 3,835 | 1,423 | 77 | 1,500 |
| | COLLINS LINE | 3/31/1990 | F-6 | 100 00% | 376 | 376 | 376 | 0 | 376 |
| | PUMP & MOTOR | 5/31/1990 | R-5 | 100 00% | 916 | 916 | 317 | 18 | 335 |
| | WATER LINE-CR 441 | 12/5/1991 | F-10 | 100 00% | 5,556 | 5,556 | 5,556 | 0 | 5,556 |
| | PUMP | 6/4/1993 | R-5 | 100 00% | 3,043 | 3,043 | 1,108 | 76 | 1,184 |
| | CHLORINATOR | 10/27/1993 | F-10 | 100 00% | 6,335 | 6,335 | 6,335 | 0 | 6,335 |
| | CHLORINATOR | 10/29/1993 | F-10 | 100 00% | 1,410 | 1,410 | 1,410 | 0 | 1,410 |
| | WATER LINE-CR 442 | 5/30/1994 | F-10 | 100 00% | 1,646 | 1,646 | 1,646 | 0 | 1,646 |
| | WATER LINE-CR 452 | 6/1/1994 | R-5 | 100 00% | 9,146 | 9,146 | 3,091 | 229 | 3,320 |
| | WATER LINE-CR 436 | 8/30/1994 | R-5 | 100 00% | 14,956 | 14,956 | 5,049 | 374 | 5,423 |
| | WATER LINE-CR 468 | 8/31/1994 | R-5 | 100 00% | 8,203 | 8,203 | 2,768 | 205 | 2,973 |
| | TANK MAINTENANCE | 12/30/1994 | R-5 | 100 00% | 5,684 | 5,684 | 1,917 | 142 | 2,059 |
| | LINE EXT-CR 404 | 1/15/1995 | F-10 | 100 00% | 34,800 | 34,800 | 34,800 | 0 | 34,800 |
| | PRESSURE REDUCING VAL | 12/10/1996 | R-5 | 100 00% | 13,270 | 13,270 | 3,679 | 332 | 4,011 |
| | DIST SYS-MOTOR REPLACE | 12/27/1996 | F-10 | 100 00% | 4,695 | 4,695 | 4,465 | 0 | 4,465 |
| | 155/MORRIS LINE EXT | 6/25/1997 | F-10 | 100 00% | 6,712 | 6,712 | 6,711 | 0 | 6,711 |
| | LINE EXT-CR 321 | 5/7/1998 | R-5 | 100 00% | 7,041 | 7,041 | 1,701 | 176 | 1,877 |
| | LINE EXT-CR 436 | 5/31/1999 | R-5 | 100 00% | 6,682 | 6,682 | 1,433 | 167 | 1,600 |
| | FM 1615 LINE EXT | 6/30/1999 | R-5 | 100 00% | 3,775 | 3,775 | 799 | 94 | 893 |
| | CR 402 LINE EXT | 8/31/1999 | R-5 | 100 00% | 1,676 | 1,676 | 350 | 42 | 392 |
| | MUD PUMP/AIRPACK | 12/12/2000 | R-5 | 100 00% | 6,000 | 6,000 | 1,063 | 150 | 1,213 |
| | DIST SYS ADDITIONS | 5/26/2000 | F-10 | 100 00% | 2,425 | 2,425 | 1,842 | 243 | 2,085 |
| | PLANT #3 | 6/30/2001 | R-5 | 100 00% | 20,022 | 20,022 | 3,256 | 501 | 3,757 |
| | PLANT #4 | 11/30/1987 | R-5 | 100 00% | 86,800 | 86,800 | 43,581 | 2,170 | 45,751 |
| | PAINT #1 & #2 | 5/16/1987 | R-5 | 100 00% | 74,333 | 74,333 | 38,245 | 1,858 | 40,103 |
| | PAINT #4 | 6/30/1989 | F-10 | 100 00% | 19,000 | 19,000 | 19,000 | 0 | 19,000 |
| | CAD SOFTWARE | 9/30/1989 | F-10 | 100 00% | 15,000 | 15,000 | 15,000 | 0 | 15,000 |
| | | 12/1/1997 | F-6 | 100 00% | 7,500 | 7,500 | 7,500 | 0 | 7,500 |

Detail Report

12/31/2008 BRUSHY CREEK WATER SUPPLY CORPORATION 75-1544301

| Item No | Description of Property | Date Placed in Service | Asset Code | Bus Use % | Cost or Other Basis | Recovery Basis | Prior Accum Deprec., 179 Bonus | 2008 Current Deprec | 2008 Accum Deprec |
|---------|-------------------------|------------------------|------------|-----------|---------------------|----------------|--------------------------------|---------------------|-------------------|
| 990 | | | | | 3,716,055 | 3,716,055 | 1,506,577 | 114,722 | 1,621,299 |
| | BOOSTER PUL-WELL #3 | 3/22/2001 | F-10 | 100 00% | 3,082 | 3,082 | 2,079 | 308 | 2,387 |
| | PUMP, MOTOR, VALVES | 3/29/2002 | F-10 | 100 00% | 10,952 | 10,952 | 6,296 | 1,095 | 7,391 |
| | OFFICE EQUIPMENT | 12/15/1977 | F-10 | 100 00% | 559 | 559 | 559 | 0 | 559 |
| | TYPEWRITER | 8/6/1980 | F-10 | 100 00% | 377 | 377 | 377 | 0 | 377 |
| | LEGAL FILE CABINET | 10/7/1983 | F-10 | 100 00% | 170 | 170 | 170 | 0 | 170 |
| | SPRAYER | 3/31/1993 | F-10 | 100 00% | 268 | 268 | 268 | 0 | 268 |
| | XEROX 5314T COPIER | 7/30/1993 | F-6 | 100 00% | 2,027 | 2,027 | 2,027 | 0 | 2,027 |
| | RADIO EQUIP | 8/29/1994 | F-6 | 100 00% | 263 | 263 | 263 | 0 | 263 |
| | OFFICE FILE | 5/31/1995 | F-10 | 100 00% | 337 | 337 | 337 | 0 | 337 |
| | VERTICAL FILE | 6/12/1998 | F-10 | 100 00% | 480 | 480 | 480 | 0 | 480 |
| | TRASH BINS | 7/6/1998 | F-10 | 100 00% | 152 | 152 | 152 | 0 | 152 |
| | LINE SPEAKER PHONE | 7/6/1998 | F-10 | 100 00% | 255 | 255 | 252 | 0 | 252 |
| | WALL & TABLE PHONES | 7/6/1998 | F-10 | 100 00% | 85 | 85 | 84 | 0 | 84 |
| | FAX MACHINE | 7/10/1998 | F-10 | 100 00% | 269 | 269 | 266 | 0 | 266 |
| | CALCULATOR | 7/10/1998 | F-10 | 100 00% | 191 | 191 | 190 | 0 | 190 |
| | 2-LINE PHONE/ ASW MACH | 3/30/1998 | F-10 | 100 00% | 195 | 195 | 195 | 0 | 195 |
| | METAL SHELVING UNIT | 7/31/1998 | F-10 | 100 00% | 176 | 176 | 173 | 0 | 173 |
| | 2 WAY RADIO DISPATCH | 8/11/1998 | F-10 | 100 00% | 1,293 | 1,293 | 1,279 | 0 | 1,279 |
| | USED FURN-KLUTOM | 8/30/1998 | F-10 | 100 00% | 1,708 | 1,708 | 1,667 | 0 | 1,667 |
| | DELL COMPUTER | 6/28/1999 | F-6 | 100 00% | 2,467 | 2,467 | 2,467 | 0 | 2,467 |
| | OKIDATA PRINTER | 6/29/1999 | F-10 | 100 00% | 1,405 | 1,405 | 1,405 | 0 | 1,405 |
| | COMP. MON, PRINT, SOFTV | 7/13/1999 | F-6 | 100 00% | 3,700 | 3,700 | 3,700 | 0 | 3,700 |
| | ALPINE AIRWATER | 7/13/1999 | F-10 | 100 00% | 1,099 | 1,099 | 1,099 | 0 | 1,099 |
| | SAGE SOFTWARE | 9/30/1999 | F-6 | 100 00% | 568 | 568 | 541 | 0 | 541 |
| | RVS SOFTWARE | 6/28/1999 | F-6 | 100 00% | 1,381 | 1,381 | 1,381 | 0 | 1,381 |
| | TRIMMER | 7/22/1999 | F-10 | 100 00% | 422 | 422 | 415 | 0 | 415 |
| | MOWER | 4/11/2000 | F-10 | 100 00% | 974 | 974 | 974 | 0 | 974 |
| | SHREDDER | 3/13/2001 | F-10 | 100 00% | 360 | 360 | 349 | 11 | 360 |
| | QUICKBOOKS SOFTWARE | 3/28/2002 | F-6 | 100 00% | 624 | 624 | 624 | 0 | 624 |
| | REFRIGERATOR | 6/30/2003 | F-10 | 100 00% | 400 | 400 | 257 | 57 | 314 |
| | PRINTER | 1/31/2003 | F-6 | 100 00% | 466 | 466 | 457 | 9 | 466 |
| | TRUCK RADIO | 9/30/1996 | V-4 | 100 00% | 3,997 | 3,997 | 3,997 | 0 | 3,997 |
| | TRAILER | 7/12/1999 | F-10 | 100 00% | 800 | 800 | 798 | 0 | 798 |
| | 2001 DODGE TRK | 6/16/2000 | V-4 | 100 00% | 16,910 | 16,910 | 16,910 | 0 | 16,910 |
| | TRAILER HITCH | 4/6/2001 | F-10 | 100 00% | 318 | 318 | 304 | 14 | 318 |
| | WELL #5 | 9/1/2005 | R-6 | 100 00% | 263,866 | 263,866 | 15,118 | 6,597 | 21,715 |
| | DISTRIBUTION SYSTEM | 4/30/2004 | R-5 | 100 00% | 7,210 | 7,210 | 668 | 180 | 848 |
| | DISTRIBUTION SYSTEM | 5/13/2004 | R-5 | 100 00% | 1,014 | 1,014 | 91 | 25 | 116 |
| | DISTRIBUTION SYSTEM | 5/26/2004 | R-5 | 100 00% | 4,289 | 4,289 | 388 | 107 | 495 |
| | PUMP | 10/7/2004 | F-10 | 100 00% | 1,618 | 1,618 | 567 | 162 | 729 |
| | RVS SOFTWARE | 2/29/2004 | F-6 | 100 00% | 1,963 | 1,963 | 1,375 | 393 | 1,768 |
| | 2004 FORD F150 | 8/18/2004 | V-4 | 100 00% | 15,855 | 15,855 | 11,099 | 3,171 | 14,270 |
| | 2004 EXT CAB TRK | 8/31/2004 | V-4 | 100 00% | 18,958 | 18,958 | 13,272 | 3,792 | 17,064 |
| | WELL #5 | 9/1/2005 | R-6 | 100 00% | 45,762 | 45,762 | 2,622 | 1,144 | 3,766 |
| | DISTRIBUTION SYSTEM | 6/1/2005 | R-6 | 100 00% | 23,989 | 23,989 | 1,525 | 600 | 2,125 |
| | 2006 FORD F150 | 10/28/2005 | V-2 | 100 00% | 18,541 | 18,541 | 13,201 | 2,136 | 15,337 |
| | WELL IMPROVEMENTS | 11/30/2006 | R-5 | 100 00% | 9,329 | 9,329 | 262 | 233 | 495 |
| | CASE BACK-HOE | 10/31/2006 | F-10 | 100 00% | 49,470 | 49,470 | 10,601 | 7,067 | 17,668 |
| | DIST SYS IMPROV | 3/28/2006 | R-5 | 100 00% | 40,605 | 40,605 | 1,819 | 1,015 | 2,834 |
| | PUMP SYS ADD | 8/31/2006 | R-5 | 100 00% | 5,878 | 5,878 | 202 | 147 | 349 |
| | CABINETS/SHREDDER | 9/30/2006 | F-10 | 100 00% | 791 | 791 | 170 | 113 | 283 |
| | 2008 DISTRI SYS | 6/1/2008 | R-5 | 100 00% | 6,318 | 6,318 | 0 | 86 | 86 |
| | 2008 PUMPING SYS | 1/11/2008 | R-5 | 100 00% | 6,194 | 6,194 | 0 | 148 | 148 |

Detail Report

12/31/2008 BRUSHY CREEK WATER SUPPLY CORPORATION 75-1544301

| 990 | Item No | Description of Property | Date Placed in Service | Asset Code | Bus Use % | Cost or Other Basis | Recovery Basis | Prior Accum Deprec , 179, Bonus | 2008 Current Deprec | 2008 Accum Deprec |
|-----|---------|-------------------------|------------------------|------------|-----------|---------------------|----------------|---------------------------------|---------------------|-------------------|
| | | | | | | 3,716,055 | 3,716,055 | 1,506,577 | 114,722 | 1,621,299 |
| | | | | | | 1,946 | 1,946 | 0 | 278 | 278 |
| | | XEROX COPIER | 3/7/2008 | F-10 | 100 00% | 415 | 415 | 0 | 59 | 59 |
| | | SIGN AT WELL | 10/3/2008 | F-10 | 100 00% | 130 | 130 | 0 | 19 | 19 |
| | | COMPUTER MEMORY | 12/9/2008 | F-10 | 100 00% | 1,210 | 1,210 | 0 | 173 | 173 |
| | | TRAILER | 4/25/2008 | F-10 | 100 00% | 11,449 | 11,449 | 155 | 286 | 441 |
| | | DIST SYS 2007 | 6/1/2007 | R-6 | 100 00% | 3,607 | 3,607 | 49 | 90 | 139 |
| | | PUMPING SYSTEM | 6/1/2007 | R-6 | 100 00% | 20,870 | 20,870 | 2,982 | 5,111 | 8,093 |
| | | OFFICE EQUIPMENT | 6/1/2007 | F-10 | 100 00% | 24,030 | 24,030 | 4,806 | 7,690 | 12,496 |
| | | 2007 DODGE | 6/1/2007 | V-6 | 100 00% | | | | | |